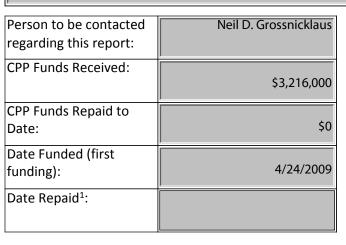
ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

OREGON BANCORP, INC



RSSD: For Bank Holding Companies)	3823198
Holding Company Docket Number: For Thrift Holding Companies)	
FDIC Certificate Number: For Depository Institutions)	
City:	Salem
State:	Oregon

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

5	originated for sale increased from \$24,190,000 in 2008 to \$94,886,000 in 2009.

¹If repayment was incremental, please enter the most recent repayment date.

X	To the extent the funds supported	The increase in outstanding loans was primarily related to commercial mortgage loans and
	increased lending, please describe the	commercial and industrial loans. The increase in loans originated for sale was in relation to
	major type of loans, if possible	residential mortgage loans.
	(residential mortgage loans, commercial	
	mortgage loans, small business loans,	
	etc.).	
	Increase securities purchased (ABS, MBS,	
	etc.).	
	Make other investments	
	Increase reserves for non-performing	The company's allowance for loan and lease losses increased from \$1,067,000 to \$1,761,000, or 65%.
		The company's anowance for loan and lease losses increased from \$1,007,000 to \$1,701,000, or 05%.
	assets	

X	Reduce borrowings	The company's total outstanding borrowings decreased from \$9,000,000 at December 31, 2008 to
		\$3,000,000 at December 31, 2009.
_	In average shows affe	The Common distriction is a large description of 2000 to 2000 the Common description of the Comm
X	Increase charge-offs	The Company did not recognize a loan charge-off prior to 2009. In 2009, the Company charged-off \$812,000.
	Purchase another financial institution or	
	purchase assets from another financial institution	
	institution	
X	Held as non-leveraged increase to total capital	The Bank's total risk-based capital ratio increased from 12.19% in 2008 to 15.64% in 2009.

What actions were you able to avoid because of the capital infusion of CPP funds?			
During 2009, the Bank was able to increase residential mortgage loan originations for sale by \$70,696,000 over 2008. It is possible the Bank may			
have curtailed residential mortgage loan originations if it did not receive CPP funds.			

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?
The Company is appreciative of the US Treasury's investment. In return, the Company has made a concerted effort to increase lending and aid the recovery of the local economy. To this end, Willamette Valley Bank continued to grow residential mortgage loan originations in 2009 to \$225,000,000 in total volume for more than 1,000 Oregon families. In addition, the Bank was able to continue lending to small and medium sized businesses.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.	
Participation in the CPP enabled the Bank to open a new full-service branch in a nearby rural community.	

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.